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Ruth Coleman, Director

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**QUESTIONS AND ANSWERS and ERRATA  
to  
REQUEST FOR PROPOSALS (RFP)  
for  
Off-Highway Vehicle (OHV) Rental Services  
at  
Oceano Dunes State Vehicular Recreation Area**

To All Prospective Bidders:

Attached are the Questions and Answers, and Errata #1 with a change to the Sample Concession Contract Exhibit B Consumer Price Index Adjustment Formula, for the subject RFP.

The proposer questions are presented exactly as submitted by the identified party followed by the State's response to each question.

The errata and other information are available on the website at [www.parks.ca.gov/concessions](http://www.parks.ca.gov/concessions). If you have any questions, please contact Terry Gerson by email at [tgerson@parks.ca.gov](mailto:tgerson@parks.ca.gov) or by phone at (916) 653-7733.

Sincerely,

James A. Luscutoff, Chief  
Concessions, Reservations, and Fees Division

Attachments

cc: Daphne Greene, Deputy Director  
Phil Jenkins, Division Chief  
Off Highway Motor Vehicle Recreation Division

Andy Zilke, District Superintendent  
Oceano Dunes District

**QUESTIONS AND ANSWERS**  
to the  
**REQUEST FOR PROPOSALS (RFP)**  
for  
**Off-Highway Vehicle (OHV) Rental Services**  
at  
**Oceano Dunes State Vehicular Recreation Area**

Questions from Diana Perez

1. *Is it permitted to rent side-by-sides (utility vehicles) and if so, will there be any driver restrictions beyond those stated by the manufacturer?*

**State's Response:** Yes, it is permitted and is subject to the approval of the District Superintendent as stated in the RFP, pages 15 – 16, Products, Merchandise, and Services.

**Manufacturers provide recommendations; the Sample Concession Contract requires all vehicles and operations must be in compliance with the law.**

2. *For new proposers that have not had the experience of providing services/rentals on the Oceano Dunes, how will they be evaluated in comparison to (current incumbent) vendors?*

**State's Response:** In the RFP, page 18, Proposal Evaluation Criteria, Incumbent Preference, there are up to 5 points awarded or taken away based on the incumbent's annual Performance Evaluation.

*It appears that the incumbent vendors would have the advantage of experience and/or information about services over a new proposer who may only have experiences in other types of businesses. Under "Experience" page 12, the proposer must have experience "owning, managing or operating a business of similar type, size and scope...". In other words, what types of business are considered similar type, size and scope? Does it have to be a concession type business?*

**State's Response:** The type of business is described in the RFP, page 1, Goal & Objectives, *"The objectives of this concession opportunity are to 1) develop, equip, manage, and maintain high-quality OHV rental services to the public; and 2) promote and complement safe, enjoyable, and convenient recreational experiences for all park users."* The proposer must have three (3) years experience in the aforementioned type of business with the size and scope similar to what they propose to do at Oceano Dunes SVRA.



3. *If a proposer fails to deliver on their contract after being in business for one year and the contract is cancelled, will a competitive process be opened at a later date to allow a new proposer to enter within the ten year contract range?*

**State's Response:** There are options available for the State to consider in the event of an early termination. Please refer to the Sample Concession Contract, Section 29 State's Remedies, Paragraph E Assignments at State's Direction, and Section 52 Assignments and Subconcessions.

4. *On page 16 under Conservation and Recycling, if a new proposer is not aware of current or past environmental or hazardous materials issues, information that has been provided to incumbent concessioners, will this weaken the new proposer's plan of operation?*

**State's Response:** No.

5. *Are photographs permitted to be included as part of the attached Section II: Proposal Information?*

**State's Response:** Yes.

6. *On page 45 Exhibit C – DPR 54, Concessionaire's Monthly Report of Operation. Is it permitted for concessionaire's to sell merchandise and food if it is included in the proposal? Or is this form only an example?*

**State's Response:** DPR 54 is a standard form used for all types of concessions throughout the State Park system and this is an example. The form will be modified by the State in collaboration with the concessionaire to correspond with the sales or services related to the specific concession operation during final contract execution.

#### Questions from Paul Nottingham

1. *Regarding vehicles authorized for use as rental vehicles on the beach: will all vehicles be required to meet CARB standards for off highway vehicles, and if so, will waivers be granted for LARGE SPARK motors in dune buggies?*

**State's Response:** Yes, all vehicles are required to meet CARB standards. Waivers can only be authorized by CARB. CARB waivers would have to be presented to the Department for review and acceptance.

2. *What steps will be taken by the California Park and Rec. to ensure Non-concessionaires are prohibited from renting out vehicles on the beach?*

**State's Response:** The Department enforces concessions policies and the California Code of Regulations related to illegal business operations on State property.

3. *According to the Consumer price index formula for raising of Rents due to State of California, what options are available for a more equitable increase? Specifically, If a concessionaire offers 20% as a starting rent and is awarded a contract and a competitor concessionaire offers 15% and is awarded a contract, if both are charged the same increase based upon the CPI, the first concessionaire will be paying a much higher percentage to begin with and the increase in rent will also be higher each year thereafter based upon the original number. This could become financially prohibitive in later years of the contract particularly as equipment begins to need additional maintenance and replacement, and the rent is increased unevenly across all contracts.*

**State's Response:** The CPI adjustment only impacts the Minimum Annual Rent \$\$ amount bid, not the "percent" of monthly gross receipts. Note: The Errata changes the Sample Concession Contract Exhibit B – Consumer Price Index Adjustment Formula.

Questions from Randy Jordan

*Section 1 – PROJECT SUMMARY*

*1.1 Goal & Objectives*

*Question 1.*

*The word Safety does not appear in the "Governing Authorities" Mission please define the priority of safety relative to the subject solicitation.*

**State's Response:** Safety is a stated objective of the RFP page 1, Objectives of this Concession.

*Question 2.*

*The word education does appears in the Department of Parks and Recreation Mission, is it the intent to require training of the adolescent ATV riders?*

**State's Response:** ATV training requirements are defined by California law and referenced in Exhibit E of the Sample Concession Contract.



*Question 3.*

*Will the training received be the physical training required by ASI?*

**State's Response:** The rider safety education and hands-on orientation program provided by the vendor is a requirement of the Sample Concession Contract, Section 5 Use of Premises. The education and orientation program is not intended to be a replacement for the training required by California law.

*1.3 Contract Summary*

*Paragraph 1.*

*Question*

*CVC 38006 permits the use of vehicles registered in other states. Are the vehicles utilized in this contract required to be registered in California?*

**State's Response:** The intent of CVC 38006 as it describes foreign registration, is applicable to a non-resident for personal use. A business operated in California may be a resident business. All vehicles rented under this contract would also be subject to California law requirements.

*Paragraph 5.*

*Question 1.*

*With reference to the rental of ATV's, is the training program submitted by the respective bidders required to comply with ASI established standards?*

**State's Response:** The rider safety education and hands-on orientation required by the Sample Concession Contract is supplemental to what is required by California law.

*Question 2.*

*Is the training to be implemented by ASI certified personnel?*

**State's Response:** The rider safety education and hands-on orientation program requirements are outlined in the Sample Concession Contract, Section 5 Use of Premises.

*Question 3.*

*The parks department has indicated that the vast majority of vendor related ATV injuries are adults, what type of program is to be implemented to improve adult safety?*

**State's Response:** The rider safety education and hands-on orientation requirements are outlined in the Sample Concession Contract, Section 5 Use of Premises, as well as the RFP page 3, item 5. Exhibit E also identifies requirements and recommendations to enhance safety while riding off-highway vehicles.

Paragraph 8.

Question 1.

*Are all the manufactures age specific recommendations to be observed on all vehicles subject to this proposal as it relates to adolescent operation of vendor supplied ATV's?*

**State's Response: California law defines ATV riding requirements.**

Question 2.

*The contract summary Paragraph 8 states Maintain equipment and complete logs in compliance with standards imposed by insurance policies.*

*--What Type of Coverage does this refer to?*

*--Which policy are these coverages to be a part of?*

**State's Response: Insurance requirements are described in the Sample Concession Contract, Section 8 Insurance, beginning on page 11.**

Paragraph 13.

Question

*Is it your intent to encompass Participants liability in the required Commercial General Liability policy?*

**State's Response: Insurance requirements are described in the Sample Concession Contract, Section 8 Insurance, beginning on page 11.**

### *Section 3 – THE PROPOSAL*

#### *I. Proposer Information*

##### *A. Incumbent Factor*

Question 1.

*The annual evaluation reports (DPR 531) performed for the last three years do not appear to have any positive or negative connotations for the following items; have points been added or subtracted for the following Business Practices as it relates to the incumbent Factor?*

*A. Voluntarily designing and implementing a safety program as outlined by this solicitation.*

*B. Designing, Manufacturing, and refining site specific vehicles that have proven safer than any other vehicle for this intended purpose.*

*C. Voluntarily designing a vehicle for the use of those whom do not poses the ability to operate a vehicle with their lower extremities.*

*D. Maintaining Commercial General Liability Insurance.*



- E. Having the best safety record of any of the Beach vendors.*
- F. Paying a greater percentage in Park fees than any other Beach Vendor.*
- G. Providing a product that is made in America.*
- H. Presenting in a narrative format participant education regarding endangered species and artifacts.*

**State's Response:** RFP page 18, Proposal Evaluation Criteria describes the assignment of Incumbent Points in relation to the DPR 531. They are ultimately determined by the contract award board. Some of your items listed may be contributing factors.

*Question 2.*

*Do the following factors bear any negative connotation in the (DPR 531) Vendor evaluations?*

- A. Having injuries on the rental vehicles provided to the public.*
- B. Allowing Adolescents to utilize ATV's other than that recommended by the manufacturer for their age.*
- C. Allowing Adolescents to ride on two seat ATV's under the age recommended by the manufacturer.*

**State's Response:** RFP page 18, Proposal Evaluation Criteria describes the assignment of Incumbent Points in relation to the DPR 531. They are ultimately determined by the contract award board. Some of your items listed may be contributing factors.

*Question 3.*

*3a. With reference to the experience criteria, is the rental of ATV's considered "similar type, size and scope" as the rental of UTV/RTV's?*

**State's Response:** The type of business is described in the RFP page 1, 1.1 Goal & Objectives, Objectives of this Concession, "The objectives of this concession opportunity are to 1) develop, equip, manage, and maintain high-quality OHV rental services to the public; and 2) promote and complement safe, enjoyable, and convenient recreational experiences for all park users." The proposer must have three (3) years' experience in the aforementioned type of business with size and scope similar to what they propose to do at Oceano Dunes SVRA as stated in RFP page 12.

*3b. If UTV/RUV's are not considered "similar type, size and scope" as ATV's, will bidders be required to submit separate incident as well as injury reports for each type of vehicle at the time of proposal?*

**State's Response: Reports of past operations are not required as part of the proposal.**

*II. Proposal Information*

*A. Operation Plan*

*Vision/mission Statement*

*Question 1.*

*Will bidders be required to provide their incident as well as their injury records for the preceding three years?*

**State's Response: Not required. Please refer to the RFP, page 14, Operation Plan.**

*Question 2.*

*Will bidders be required to submit a loss run of the last 3 years from their Commercial general Liability Insurance carrier?*

**State's Response: Not required. Insurance requirements are described in the Sample Concession Contract, Section 8 Insurance.**

*Customer Service*

*Question*

*Will the Customer Service, rider safety education, and hands on orientation program be required to be ASI compliant as well as implemented by ASI certified personnel where applicable?*

**State's Response: The rider safety education and hands-on orientation program provided by the vendor is a requirement of the Sample Concession Contract, Section 5 Use of Premises. The education and orientation program is not intended to be a replacement for the training required by California law.**

*Safety and Security*

*Question 1.*

*Will the Parks department be considering Vehicles that have not been rented at Oceano by approved vendors previously in this RFP?*

**State's Response: Yes. The Department will consider all proposals submitted by the deadline.**



*Question 2.*

*2a. Will the Parks department be considering proposals for the rental of UTV/RTV type vehicles?*

**State's Response: Yes. The Department will consider all proposals submitted by the deadline.**

*2b. If yes, what are the specific guidelines for size, horsepower, and speed?*

**State's Response: All requirements related to OHV rentals are outlined in the RFP and Sample Concession Contract.**

*2c. Will vendors be required to follow manufactures recommended safety practices including but not limited to age restrictions for the UTV/RUV type vehicles?*

**State's Response: All vendor requirements are identified in the RFP and Sample Concession Contract.**

*Question 3.*

*3a. Will the plan to ensure a safe and secure environment for the renters, concession workers, state staff, and general public require the bidder to demonstrate the required three years experience with the specific vehicles being proposed in response to the RFP?*

**State's Response: Experience requirements are outlined in the RFP, page 12.**

*3b. Will bidders be required to submit incident as well as injury reports for the renters, concession workers, state staff, and general public for the specific vehicles for the previous three years?*

**State's Response: Reports of past operations are not required as part of the proposal. Refer to the RFP, page 14, Proposal Information.**

*Question 4.*

*Is the bidder/potential vendor required to submit their safety record for the past three years for the specific vehicles being proposed?*

**State's Response: Reports of past operations are not required as part of the proposal. Refer to the RFP, page 14, Proposal Information.**

Question 5.

*Relative to Adolescent ATV rentals, are the Manufacturer's recommendations relative to AGE-LEVEL use of the ATV's to be adhered to, or is the practice of size and fit to be applied as stated at the per-bid meeting?*

**State's Response: California law defining ATV riding requirements will be used.**

*From the section of the OHV Rental Sample Contract*

**5. USE OF PREMISES**

*Section H. This section refers to all rider safety education and hands on orientation programs being consistent for all OHV companies.*

Question

*Please provide a copy of the accepted program currently being utilized by the incumbent ATV vendors.*

**State's Response: The bidders/proposers are required to develop a rider safety education and hands-on orientation program that is inclusive of the items outlined in the Sample Concession Contract, Section 5 Use of Premises.**

**6. LIABILITY WAIVER**

Questions:

*A. Please indicate the specific insurance coverage that would be concurrent with the liability waiver.*

**State's Response: The Liability Waiver referenced in Sample Concession Contract, Section 6 Liability Waiver, is independent from the insurance requirement in the Sample Concession Contract, Section 8 Insurance.**

*B. Please indicate where in the proposal this insurance is defined.*

**State's Response: Refer to Sample Concession Contract, Section 8 Insurance.**

**8. INSURANCE**

**A. 1. COMMERCIAL GENERAL LIABILITY INSURANCE**

Question 1.

*Reference is made to bodily injury coverage, it is unclear as to whether participant coverage is required by the RFP. Does the RFP require the successful vendors to provide participant coverage for the renters, or is it the intent of the RFP for the rental customers to participate in this at-risk sport without the benefit of insurance?*

**State's Response: Refer to Sample Concession Contract, Section 8 Insurance.**



Question 2.

*If it is your intent not to require coverage for the participants of this concession activity to be provided by the vendors, then is it the intent to prepare an admonishment document for execution by the participants informing them of the fact that they are not covered by the prerequisite commercial general liability insurance outlined in the contract?*

**State's Response: Refer to Sample Concession Contract, Section 8 Insurance.**

**28. DEFAULT BY CONCESSIONAIRE**

*Section A. 2. Identifies as a default, "Any complete absence by Concessionaire or its agents and Employees from the Premises for thirty (30) consecutive days or longer." However, Section 5. USE OF PREMISES states "Concession services shall be provided at a minimum from Memorial Day through Labor Day and each holiday ...during each year of the contract." These two Contract clauses appear to be contradictory.*

Question

*Please clarify if the concessionaire is going to be required to maintain a presence at the Park, other than "between Memorial Day through Labor Day and holidays."?*

**State's Response: Sample Concession Contract, Section 5 Use of Premises, beginning on page 9 establishes the minimum hours of operation. The section further states "In the event State deems the hours of operation inadequate for proper service to the public, State may require concessionaire to adjust the days and/or hours of operation to a schedule provided by the State."**

HBDRB

Exhibit E - continued

CVC 38304 CVC 38304.1:

Questions

*Will ASI licenses be required of participants driving ATV's?*

**State's Response: California law defining ATV riding requirements will be used.**

*Will Reciprocity, i.e. the presentation of a certificate issued by a state other than the participants state of residence, be allowed by the state of California?*

**State's Response: California law defining ATV riding requirements will be used.**

*Will Vendor's be allowed to rent ATV's for adolescent use contrary to the manufacturer's recommended age limitations for operation of or being a passenger?*

**State's Response: California law defining ATV riding requirements will be used.**

*Will all adolescents be required to possess an ASI physical training license in order to participate in this concession activity?*

**State's Response: California law defining ATV riding requirements will be used.**

*Will vendors be allowed to accept licenses issued by a state other than that of the renter's state of residence, for the purpose of establishing the ability to procure and/or supervise adolescents on vendor supplied ATV's at the Oceano dunes?*

**State's Response: California law defining ATV riding requirements will be used.**



**ERRATA #1 Request for Proposals (RFP) for Off-Highway Vehicle Rental Services at Oceano Dunes SVRA**

**EXHIBIT B – CONSUMER PRICE INDEX ADJUSTMENT FORMULA**

Consumer Price Index (CPI) adjustments applied to the \$\$\$ Minimum Annual Rent shall be based on changes in the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for "All Urban Consumers, Los Angeles All Items, (1982-84=100)." Calculations shall employ the following formula:

"Base Index" = CPI Index published for the month preceding the commencement date of this Contract\*. *If first year of CPI adjustment is beyond second year of Contract then the "Base Index" shall be the month preceding the commencement date of the Contract Year immediately preceding the year to be adjusted.*

"Base Rent" = Minimum \$\$\$ rent during the first Contract Year\*. *If there is a break of more than a year between CPI adjustments, i.e., five years following a CPI adjustment in sixth year, then the "Base Rent" shall be the amount of the last adjusted rent.*

"Year End Index" = CPI Index for the month preceding the start of the subject Contract Year.

**Step #1:** 
$$\frac{\text{"Year End Index" - "Base Index"}}{\text{"Base Index"}} = \% \text{ Change}$$

**Step #2:** 
$$\% \text{ Change} \times \text{Base Rent} = \text{Adjustment}$$

**Step #3:** 
$$\text{Base Rent} + \text{Adjustment} = \text{New Rent}$$